



UNITED STATES DEPARTMENT OF AGRICULTURE U.S. ROMANIA TRADE AND INVESTMENT MISSION December 5-9, 2005

From December 5-9, 2005, the United States Department of Agriculture/Foreign Agricultural Service/ International Cooperation and Development (USDA/FAS/ICD) will conduct a second Trade and Investment Mission to Romania, funded by United States Agency for International Development (USAID). USDA will pay all in-country costs (translations, hotel, misc. and in-country travel).

A primary aim of USDA missions is to promote United States-Romania agribusiness, cooperation and trade and investment, particularly in the agricultural processing, agricultural investment, inputs, livestock genetics, ready-to-eat products, meats and poultry, and feed and grains sectors.

The Investment Mission is supported by the Romanian government, which will participate in the project through the Ministry of Agriculture and Ministry of Economy and Trade.

ROMANIA OFFERS U.S. PARTNERS:

- Stable political environment;
- Consistent record of macroeconomic stability;
- At an average rate of about 5% per year, GDP growth was among the highest in the region with a peak of 8.3% reached in 2004, driven by the rapid expansion of investment, continued strong consumption growth and an export pick-up, while the economy is forecast to grow by 5.2% in 2005;
- The inflation decreased from 14.1% in 2003 to 9.3% at end-2004;
- Confirmed NATO entry (2004) and forthcoming EU membership (2007);
- Strategic geographic position as a bridge between Europe and Asia;
- The second largest market in east-central Europe after Poland, with 22.4 million emerging consumers;
- Highly educated and skilled work force;
- Free movement of capital and no restrictions on after-tax repatriation of profits;

- Close political ties with the U.S., allies in the U.S.-led coalition in the war on Iraq;
- A functioning market economy (EC Report);
- Free trade opportunities and liberalized access to markets with over 550 million consumers - EU, EFTA and CEFTA countries, Moldova, Turkey, Israel, Lithuania, Albania, Bosnia-Herzegovina and Macedonia;
- Availability of land - Foreigners can buy land by establishing or joining a Romanian company with up to 100% foreign ownership;
- Agreements on the protection of investments and avoidance of double taxation;
- Strong financial support and equity commitments by IMF, IFC, EBRD and other international financing institutions;
- Excellent labor quality/labor cost ratio;
- Reduced income and corporate tax rate from 25% to 16% in 2005;
- New legislation for bankruptcy and liquidation procedures in Europe;
- Countrywide adoption of International Accounting Standards;
- Seventeen airports open for commercial traffic, access to both the Black Sea and the Danube River, the largest Black Sea port (Constanta);
- Nearly fully privatized banking sector;
- Specific tangible/intangible goods imported, as part of a significant investment in economy (over 1 mil.\$) will be exempted from custom duties;
- Good expectations in infrastructure development, retail sector (8-10% in 2005) and food service sector (6-8% in 2005);
- Increasing number of foreign tourists visiting Romania with an annual rate of 20% - the highest in South Europe- driven by significant investments in hotel industry both in mountain and seaside resorts;
- Weak dollar makes products more competitive compared to other sources.

HERE IS HOW USDA WILL SUPPORT YOU:

- Introduction to Romanian companies interested in doing business with the United States;
- Presentations by key Romanian Ministries on agribusiness climate, programs and partnerships;
- Overview of macroeconomic situation, legal/regulatory environment, banking sector, privatization process, investment climate/promotion and U.S. Government business assistance programs;
- Site visits;
- Ground transportation, translation, and hotel room costs in Romania paid by USDA*.

* Your costs are limited to travel to and from Bucharest from your point of origin and meals.

Please contact USDA as soon as possible - space is limited and offered on a first come first served basis. To register, or for more information, please contact:

Sean Carmody
 USDA/Foreign Agricultural Service
 Tel: (202) 690-2937
 Fax: (202) 690-3982
 Email: sean.carmody@usda.gov